

**INSURANCE REGULATORY TRUST FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2004**

LARGE CAP DOMESTIC EQUITY	June-04					March-04				December-03				September-03				Current FYTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Allocation		Quarter	Month	Market Value	Allocation		Quarter	Allocation		Quarter	Allocation		Quarter							
	Market Value	Actual	Policy	Net ROR		Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy				
Structured Growth																					
Los Angeles Capital	40,674	1.5%	1.5%	2.95%	1.80%	15,543	0.8%	1.5%	-0.33%	14,955	1.6%	1.5%	9.14%	13,701	1.5%	1.5%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	40,674	1.5%	1.5%	2.95%	1.80%	15,543	0.8%	1.5%	-0.33%	14,955	1.6%	1.5%	9.14%	13,701	1.5%	1.5%	4.99%	17.58%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				1.94%	1.25%				0.79%				10.41%				3.92%	17.88%	2.94%	-21.54%	-5.03%
Structured Value																					
LSV	41,199	1.5%	1.5%	2.33%	3.97%	15,378	0.8%	1.5%	6.26%	15,106	1.6%	1.5%	15.69%	13,078	1.4%	1.5%	3.78%	30.56%	-2.25%	8.84%	3.73%
Russell 1000 Value				0.88%	2.36%				3.03%				14.19%				2.06%	21.13%	-1.02%	-0.19%	1.05%
Russell 1000 Enhanced Index																					
LA Capital	84,484	3.1%	3.0%	-0.09%	2.15%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.40%	1.80%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
S&P 500 Enhanced Index																					
Westridge	82,206	3.1%	3.0%	-0.26%	1.95%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.72%	1.94%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
Index																					
State Street	24,782			1.68%	1.92%	6,190			1.68%	67,689			12.15%	60,344			2.64%	19.01%	0.23%	-11.28%	-1.69%
Transition Account	-			N/A	N/A	62,551			N/A	N/A			N/A	N/A			N/A	N/A	N/A	N/A	N/A
Total Index	24,782	0.9%	1.0%	1.68%	1.92%	68,741	3.5%	7.0%	1.68%	67,689	7.1%	7.0%	12.15%	60,344	6.6%	7.0%	2.64%	19.01%	0.23%	-11.28%	-1.69%
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	273,345	10.2%	10.0%	1.96%	2.28%	99,662	5.0%	10.0%	2.91%	97,750	10.2%	10.0%	12.21%	87,122	9.5%	10.0%	3.16%	21.46%	-0.48%	-9.33%	-1.90%
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	138,888	5.2%	5.0%	-0.91%	3.15%	49,413	2.5%	5.0%	6.66%	49,201	5.1%	5.0%	14.88%	42,842	4.7%	5.0%	9.54%	32.99%	0.09%	N/A	N/A
Russell 2000 + 200bp				0.98%	4.38%				6.78%				15.07%				9.60%	35.99%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	138,888	5.2%	5.0%	-0.91%	3.15%	49,413	2.5%	5.0%	6.66%	49,201	5.1%	5.0%	14.88%	42,842	4.7%	5.0%	9.54%	32.99%	0.09%	-3.49%	1.64%
Russell 2000				0.47%	4.21%				6.26%				14.52%				9.07%	33.36%	-1.63%	-3.30%	0.97%
CONVERTIBLES																					
TCW	275,340	10.2%	10.0%	2.30%	2.54%	97,133	4.9%	10.0%	2.51%	99,921	10.4%	10.0%	9.99%	90,847	9.9%	10.0%	1.86%	17.50%	10.23%	-9.51%	3.90%
First Boston Convertible Index				-0.13%	1.19%				2.57%				8.54%				2.67%	14.16%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																					
Large Cap - Active																					
Capital Guardian	210,977	7.8%	8.0%	-1.02%	1.01%	81,311	4.1%	8.0%	3.54%	77,278	8.1%	8.0%	13.07%	68,095	7.4%	8.0%	8.18%	25.36%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-15.51%	-5.33%
Small Cap - Value																					
Lazard	28,994	1.1%	1.0%	4.81%	4.19%	10,922	0.6%	1.0%	8.63%	9,897	1.0%	1.0%	14.50%	9,243	1.0%	1.0%	9.92%	43.30%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	N/A	N/A	N/A
Small Cap - Growth																					
Vanguard	27,744	1.0%	1.0%	-0.03%	3.37%	10,255	0.5%	1.0%	10.37%	10,620	1.1%	1.0%	14.06%	8,967	1.0%	1.0%	14.95%	44.68%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	267,716	9.9%	10.0%	-0.20%	1.61%	102,488	5.2%	10.0%	4.79%	97,795	10.2%	10.0%	13.32%	86,305	9.4%	10.0%	9.00%	29.16%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																					
Core Bond																					
Western Asset	280,610	10.4%	10.0%	-1.94%	1.00%	150,957	7.6%	15.0%	2.96%	146,940	15.3%	15.0%	1.61%	150,661	16.4%	15.0%	-0.17%	2.42%	12.77%	11.23%	8.12%
Lehman Aggregate				-2.44%	0.57%				2.66%				0.32%				-0.14%	0.32%	10.39%	10.07%	7.54%
Index																					
Bank of ND	363,913	13.5%	15.0%	-2.47%	0.34%	83,065	4.2%	9.0%	3.01%	78,741	8.2%	9.0%	0.07%	82,417	9.0%	9.0%	-0.46%	0.07%	13.26%	10.87%	7.78%
Lehman Intermediate Gov/Credit (1)				-2.52%	0.30%				3.08%				-0.03%				-0.50%	-0.05%	13.14%	10.82%	7.83%
BBB Average Quality																					
Strong	155,711	5.8%	5.0%	-3.47%	0.55%	61,213	3.1%	6.0%	3.30%	60,824	6.3%	6.0%	1.46%	63,158	6.9%	6.0%	0.02%	1.18%	17.91%	N/A	N/A
Lehman US Credit BAA				-2.86%	1.19%				3.41%				1.22%				0.27%	1.96%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	800,235	29.7%	30.0%	-2.51%	0.61%	295,235	14.9%	30.0%	3.05%	286,505	29.9%	30.0%	1.15%	296,237	32.3%	30.0%	-0.21%	0.79%	13.18%	10.80%	7.81%
Lehman Gov/Credit				-3.17%	0.41%				3.08%				-0.03%				-0.50%	-0.72%	13.14%	10.82%	7.83%
CASH EQUIVALENTS																					
Bank of ND	935,929	34.8%	35.0%	0.31%	0.12%	1,336,646	67.5%	35.0%	0.29%	326,950	34.1%	35.0%	0.29%	314,187	34.2%	35.0%	0.30%	1.20%	1.57%	3.26%	4.15%
90 Day T-Bill				0.24%	0.07%				0.24%				0.26%				0.25%	0.98%	1.52%	3.33%	4.08%
TOTAL INSURANCE REGULATORY TRUST	2,691,453	100.0%	100.0%	0.54%	1.07%	1,980,577	100.0%	100.0%	2.29%	958,122	100.0%	100.0%	4.52%	917,540	100.0%	100.0%	1.98%	9.62%	6.74%	1.72%	4.85%
POLICY TARGET BENCHMARK				-0.57%	0.90%				2.15%				4.11%				1.61%	7.45%	4.94%	1.35%	3.99%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.